



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration Building
122 E. Main St
Bedford, VA 24523
September 3, 2015
5:30 P.M.**

Economic Development Authority:

:Present:

Dennis Novitzke – Dist. 1; Mickey Johnson – Dist. 2; Wyatt Walton – Vice Chairman, Dist. 3; Matthew Braud, Dist. 4; Jim Lusk – Chairman, Dist. 5; Kristy Milton, Dist. 7

:Absent: Kim McCabe, Dist. 6

Staff Present: Traci Blido – EDA Secretary; Carl Boggess – Interim County Administrator/County Attorney; Jessica Hupp – Transcriber; Sheldon Cash – Public Works

Staff Absent: None

Guest: Charlie Kolakowski – Bedford Town Manager

Chairman Lusk asked that the EDA observe a moment of silence for the loss of the two WDBJ7 reporters Alison Parker and Adam Ward, as well as for continued healing for Vicki Gardner.

(1) APPROVAL OF AGENDA

Mr. Lusk asked if anyone had any changes they wished to make to the agenda.

Mr. Braud moved, seconded by Mr. Novitzke, to approve the September 3, 2015 agenda, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Braud, Mr. Johnson, Mr. Walton, Mrs. Milton

Voting no: None

Adopted unanimously

(2) APPROVAL OF MEETING MINUTES – August 6, 2015

Mr. Lusk asked for approval and/or amendments to the Authority's August 6, 2015 meeting minutes.

Mr. Walton moved, seconded by Mr. Braud, to approve the August 6, 2015 meeting minutes, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Braud, Mr. Johnson, Mr. Walton, Mrs. Milton

Voting no: None

Adopted Unanimously

(3) REPORTS

a. Economic Development Director's Report

Mrs. Blido reported that the BOS and Economic Development office sent Vicki Gardner a nice get well gift bag with crossword puzzles and magazines to keep her busy during her recovery. Mrs. Blido stated that the Smith Mountain Lake chamber board has hired an acting director until Vicki is able to come back. Vicki has stated that instead of flowers and donations she would love for people to spread the word about or buy tickets to the Smith Mountain Lake Wine Festival on September 26 and 27. The wine festival is their biggest fundraiser of the year.

Mrs. Blido stated she recently participated in the Region 2000 internal familiarization tour which was created for the economic development directors in the region to get better acquainted with regional assets. Mrs. Blido stated it went very well and was a good opportunity for the directors to build working relationships. The directors were very impressed with Bedford County's assets and had several questions about recent EDA projects. Mrs. Blido stated they learned a lot from each other about different hurdles each has had to deal with and hope to build on each other's experiences. Campbell County mentioned they are considering building a shell building because they don't have a lot of assets in terms of existing facilities.

The Bedford County Fair was estimated by the Ag Board to have had an economic impact of around \$120,000. The Board had come up with different anecdotes as to how they estimated economic impact. One was that a board member stopped by Applebee's and a waitress mentioned that it had been packed with a line out the door for three nights in a row. The Ag Board has also discussed using the funds they raised and developing a 501(c) (3).

Mrs. Blido stated she would be speaking on a panel about the development of agricultural boards and how it relates to economic development at the Southwest Virginia Creative Economy's Conference in Abingdon. She has also been planning the Maryland-Virginia Ag Marketing Professional's tour with VDACS which will take place September 29 - October 2. Georgia Pacific will be among the Bedford County sites to be visited. Georgia Pacific is showcasing its expansion plans and a project they're currently working on that deals with wood waste being used in place of biosolids.

Mrs. Blido stated she has met with TEVA twice this month due to their recent layoffs. Mrs. Blido worked to connect them with state resources for those who lost their jobs. She also learned TEVA plans to begin using a new technology which would include further training of up to 100 current employees. Mrs. Blido has been working with TEVA and the Workforce Investment Board to receive training funds.

Mrs. Blido stated she heard that Tessy Plastics purchased the old Gammapar building in Forest and hopes to find out more soon.

Mrs. Blido stated she attended a special projects committee meeting at the Tobacco Commission to support two grant requests. One request was from Mid-Atlantic Broadband Communities Corporation (MBC) for a white space technology project focused on affordable broadband to Southern Virginia. MBC was approved for a \$300,000 grant but will need full commission approval. Poplar Forest was the other organization she supported to receive special project funds for its new entrance plan.

Mrs. Blido stated that our website updates are going well, and that you can see some of the recent improvements if you visit our page. Mrs. Blido also stated the Montvale broadband project is moving forward with the special use permit process starting today.

Mrs. Blido reported she had a good conversation with Bob Bailey at the CAER about long-term sustainability. Bob is currently working with the Virginia Nuclear Energy Consortium and the Department of Energy to seek grant funds to restart the steam loop and contract with various national companies for testing. The CAER has new tenants in the building so it's in better shape now after B&W downsized.

b. Monthly Financial Report

Mrs. Blido reviewed the monthly financial report with the EDA.

c. Monthly Accounts Payable Report – bills that have been paid

Mrs. Blido reviewed the accounts payable report with the EDA.

d. Existing Business Report

Ms. Hupp reported staff will be hosting a Quarterly Business Roundtable meeting at the Bedford Welcome Center on September 10 from 8:30-10 a.m. GP Big Island's Zoe Myers will be there to give a spotlight presentation on GP's capital expansion project designed to upgrade its pulp mill facility. There will be a light breakfast, and all EDA members are welcome to attend.

This past weekend the Agricultural Economic Development Advisory Board hosted a successful Bedford County Fair at Glenwood Center. Joy Powers, co-superintendent, reported that they estimated almost 15,000 attendees (14,800) and a \$120,000 economic impact. They made quite a profit after all expenses were paid thanks to generous sponsors and great volunteers.

Staff is sponsoring a Region 2000 Small Business Development Center event known as "Lunch to Learn". These Lunch to Learn events were created to address topics identified as relevant to area businesses. Staff was able to select the session we wanted to sponsor and chose the Manufacturing Day event on Friday, Oct. 2. There will be a panel of experts to discuss how local businesses can increase their revenue through importing/exporting.

Ms. Hupp stated she will be attending the VEDA fall conference at the end of this month in Alexandria. This year's conference will focus on entrepreneurship and small business development strategies.

(4) Old Business

A. Update on Property Management Plan

Mr. Cash reported that he met with Hurt & Proffitt this week and they found that the Christmas Station has a lot of asbestos in it, which can be found in various levels of floor tile. Unfortunately, they found some that had been left over in the Archery building as well. Mr. Cash stated they believed it had been mostly taken care of, but a few small areas still need to be cleaned up.

Mr. Cash reported the next step is receiving the final report from Hurt & Proffitt which will allow him to solicit quotes for the abatement work. He will come back to the EDA for authorization to proceed with the abatement work when ready.

Mr. Cash suggested that the electricity remain on throughout the abatement process for those working in the building during the abatement. Once the work is complete, he recommended staff turn the power off in the building.

Mr. Cash stated the he continues to work with CVCC to address maintenance needs. He stated that painting work should begin this month. His maintenance guys are now working on re-caulking some of the windows and doors and there seems to be another cat issue they are working on solving.

Mr. Cash stated he has been working with CVCC on prices for painting and new flooring. He has been working directly with the college to find what colors of paint and types of flooring they are looking for that falls within the EDA's budget.

A discussion followed about standard versus special items and what the EDA would cover.

CVCC has also asked for a security system for the front of the building so they can lock the doors after hours but still buzz people in. Mr. Cash stated he is hoping that project will be a direct expense to the college, or at least a reimbursement from the college.

Mr. Novitzke asked if the doors to East Coast were opened at night. Mr. Cash said they are not but he has seen the cats running in during the day, and because they have forklifts going in and out it would be hard to block off those areas. However, he believes they've identified the cat that keeps getting in. Mr. Cash explained that it gets costly for the EDA to pay for replacing the ceiling tiles from the cat issues.

Mr. Boggess stated he will be working on suggested rents for the renegotiation of CVCC's lease and that Mrs. Milton plans to help him from a market rate standpoint. Mr. Cash stated CVCC is talking internally about potentially using the additional space from the former judge's office for a new program.

(5) New Business

A. Ratify Innerspec's Incentive

Mrs. Blido stated that she would like the EDA to authorize and ratify the incentive action of supporting Innerspec Technology with a \$25,000 EDA grant. This incentive results from the purchase of Bedford County real estate, transfer of 33 employees to the county and the addition of 3 new jobs. Mrs. Blido stated they also received a small grant from the Tobacco Commission.

Mr. Braud moved, seconded by Mr. Novitzke to ratify the incentive action of Innerspec Technology's \$25,000 grant to purchase Bedford County real estate, transfer 33 employees, and hire 3 new employees.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Braud, Mr. Johnson, Mr. Walton, Mrs. Milton

Voting no: None

Adopted Unanimously

(6) New London Business & Technology Center

A. Preliminary development lot 1 update

Mr. Boggess stated at the last meeting the EDA had discussed getting the second phase of Lot 1 prepared. Mr. Boggess has since received a work up of the area from Scott Beasley of Hurt & Proffitt. Mr. Boggess showed the EDA the phase 2 mock up. His only question for the EDA regarding the project would be if a prospective company would need to do double stack parking. Mr. Lusk asked how many employees would need parking in the extended area. Mrs. Blido stated the interested company plans to have 12-36 employees within five years. Mr. Boggess said double stack parking may be necessary for that number of employees.

Mr. Boggess explained that this gives the company enough to work with a construction company to place the building where they like. Mr. Boggess asked Ms. Hupp to email the mock up to the EDA. Mr. Braud asked if the EDA decides not to do the double stack parking if it can be added sometime in the future. Mr. Boggess stated it may just be easier to pave it. Mr. Boggess stated that the water and sewer lines are very close to the lot, and the land is pretty flat, so aside from getting the pavement in it should be a relatively low development cost.

B. Wetland delineation update

Authority member Mr. Braud requested that staff follow up with Hurt & Proffitt as to when the next wetland delineation is required.

(7) Bedford Center for Business

A. Approval of quote for preliminary site work

Mr. Boggess stated he sent an email to the EDA a week or so ago of the quote from Draper Aden provided for the preliminary site work at the Bedford Center for Business. Mr. Boggess explained that the cost of topographic work will be based on time and materials, and the other three categories are a flat rate. Mr. Boggess asked the county engineer what he thought of the cost and he believed it was fair. Mr. Boggess stated he wants to talk to Draper Aden again before they begin the design work. Even though the EDA gave majority consent to the proposal through email, Mr. Boggess would like the EDA to ratify the action in open session.

The EDA discussed strategies for grading lots in the park.

Mr. Braud moved, seconded by Mr. Johnson to approve Draper Aden to begin the flat fee work of \$10,000 for delineation, \$9,500 for geotech, \$14,850 for preliminary site planning, and topographic work not to exceed \$28,500 on a time and material basis.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Braud, Mr. Johnson, Mr. Walton, Mrs. Milton

Voting no: None

Adopted Unanimously

B. CVCC entry sign

Mrs. Blido stated that CVCC has requested that the EDA place a sign at their entrance in order for students to know where to turn when entering the park. Mrs. Blido stated staff had received a quote from K&K Signs which is in the packet, and also talked to Peakview Landscaping about removing the redbud tree where the sign would be placed. Mrs. Milton asked why the EDA would be responsible for the CVCC's sign, unless they were to create a multi-tenant sign to include East Coast. Mrs. Milton expressed concern about allowing CVCC to have a sign without leaving space for the other tenant, especially since it is the only real visible spot. Mrs. Blido stated that through the master plan Draper Aden helped with signage plans, which is why the additional pylon sign is included past CVCC's lot. Mr. Braud suggested giving CVCC a sign upon a renegotiated lease. It was the concensus of the EDA to wait on signage until the renegotiation of the lease begins.

C. Venture Blvd. landscaping maintenance

Mrs. Blido showed the EDA some pictures of landscaping issues within the Bedford Center for Business. Peakview Landscaping has suggested cutting the trees back four feet from the guard rails in order to clean up the roadside for a cost of \$3,800. Mrs. Blido stated that the Town does take care of some of the weeding along the roadside. Mrs. Blido stated the EDA can always wait to cut the trees back until we get a new company in the park. Mr. Lusk asked if it was a state number road, and Mr. Boggess stated that it was a Town road. Mr. Walton clarified that the EDA is responsible for everything behind the guard rail. Mr. Boggess stated we should wait until a later date to complete the tree cutting.

(8) Montvale Center for Commerce - None

(9) All Other EDA Business as may be appropriate

A. Closed Session

Mr. Walton moved, seconded by Mr. Braud, that the Bedford County Economic Development Authority go into Closed Session pursuant to Section 2.2-3711 (A)(3) and (5), for discussion or consideration of the acquisition or disposition of real property for a public purpose, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; and for discussion or consideration of a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the businesses' or industry's interest in locating or expanding its facilities in the community.

Voting yes: Mr. Novitzke, Mr. Braud, Mr. Lusk, Mr. Johnson, Mr. Walton, Mrs. Milton

Voting no: None

Adopted unanimously

Authority member Mr. Braud made a motion, seconded by Authority member Mrs. Milton, to go back into regular session.

Voting yes: Mr. Novitzke, Mr. Braud, Mr. Lusk, Mr. Johnson, Mr. Walton, Mrs. Milton
Voting no: None
Adopted unanimously

On a motion made by Authority member Mr. Braud, which was seconded by Authority member Mrs. Milton, which carried on a vote of yes, the following resolution was adopted:

Whereas, the Bedford County Economic Development Authority has convened a Closed Meeting on this the 3rd day of September 2015, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

Whereas, §2.2-3712 of the Code of Virginia requires a certification by the Bedford County Economic Development Authority that such closed meeting was conducted in conformity with Virginia Law.

Now, Therefore Be It Resolved on this 3rd day of September 2015, that the Bedford County Economic Development Authority does hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting was heard, discussed or considered by the Bedford County Economic Development Authority.

<u>MEMBERS:</u>	<u>VOTE:</u>
Dennis Novitzke	Yes
Matthew Braud, Vice-Chairman	Yes
Wyatt H. Walton, III	Yes
James A. Lusk, Chairman	Yes
Mickey Johnson	Yes
Kristy Milton	Yes

On motion made by Authority member Mr. Braud, seconded by Mr. Johnson, which carried on a vote of yes, the following was adopted:

A RESOLUTION AUTHORIZING THE ECONOMIC DEVELOPMENT DIRECTOR TO APPLY FOR A DHCD IRF GRANT AS PART OF A REVITALIZATION EFFORT IN BEDFORD FOR A BREWERY/RESTAURANT OPERATION;

WHEREAS, the 2016 Industrial Revitalization Fund through the Virginia Department of Housing and Community Development has allocated \$2 million for Fiscal Year 2016 to be used for the strategic redevelopment of vacant and deteriorated industrial properties across the Commonwealth; and

WHEREAS, the Bedford County Economic Development Authority has identified a vacant and deteriorated property located at 510 Grove Street that creates a notion of physical and economic blight in the Town of Bedford and is seen as a deterrent to nearby efforts to revitalize larger industrial buildings; and

WHEREAS, the structure of the IRF requires a locality or EDA to own the building in order to apply for a grant to revitalize the building; and

WHEREAS, a seasoned developer must be involved and the EDA must make required matching investments in the project; and

WHEREAS, the EDA has agreed on September 3, 2015 to establish an agreement with Developer John McCormack of Waukeshaw Development to open a restaurant/brewery operation at that property that will generate new tax revenue in the Town and County and spur tourism and economic development and agrees to borrow funds to provide the required matching funds for the grant if awarded; and

THEREFORE, BE IT RESOLVED, that the EDA authorizes staff to submit an IRF grant application to assist in developing this property with Waukeshaw Development and agrees to manage a market lease agreement that will encourage economic development at the property if awarded.

<u>MEMBERS:</u>	<u>VOTE:</u>
Dennis Novitzke	No
Matthew Braud	Yes
Wyatt H. Walton, III, Vice-Chairman	Yes
James A. Lusk, Chairman	Yes
Mickey Johnson	Yes
Kristy Milton	Yes

B. Approval of BOS-EDA Joint Meeting agenda

Mrs. Blido stated she has included the joint meeting agenda for the EDA's review. The meeting will take place on October 13, 2015 beginning at 5:00 p.m. Mr. Lusk asked if they should hold a closed session with the Board of Supervisors to discuss certain projects. Mr. Boggess stated he would not suggest going into a closed session as this is more of an opportunity for the EDA to discuss what they've completed this year.

(10) Adjournment

-7:31 p.m.

APPROVED:

Chairman

Secretary